

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

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In Re:

Cost Less Distributing, Inc.

Debtor(s)

Case No: 24-31912-jda

Chapter 11

Honorable Joel D. Applebaum

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**AFFIDAVIT OF MATTHEW OVADEK IN SUPPORT OF MOTION TO PERMIT  
USE OF CASH COLLATERAL AND TO PROVIDE ADEQUATE PROTECTION**

Matthew Ovadek deposes and states follows:

1. I am a forty-nine (49%) percent shareholder and vice president of Cost Less Distributing, Inc. I am the individual primarily responsible for the financial operations of Cost Less.
2. We have substantial customer purchase orders that we need to acquire/ pay for inventory to fulfill. Our experience is that all of these customers will pay for these orders promptly upon delivery.
3. If we are unable to order inventory, and continue with other standard operating expenses, I believe that we will quickly lose our customer relationships and be forced to go out of business.
4. As set forth in the budget I prepared in connection with the motion our business is generating positive cost flow from operations, and allowing us to continue would not negatively impact our secured creditors and instead would likely improve our balance sheet.
5. To allow our company to purchase inventory and otherwise continue in business until the October 30 hearing, Cost Less would need to be able to spend \$130,000.00. Without this authorization our business would not be able to continue.

/s/ Matthew Ovadek  
By: Matthew Ovadek

Date: 10-17-24

Sworn to and signed in my presence by Matthew Ovadek on the 17th day of October, 2024, who is personally known to me or has provided a valid Michigan Driver License or Michigan Identification.

/s/ Peter T. Moore  
Peter T. Moore

Notary Public, Washtenaw County Michigan

My commission expires: 10-9-27

Acting in Genesee County